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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

SEP 14 1998

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)	
)	
Petition of the Washington Utilities)	CC Docket No. 96-45
And Transportation Commission, <i>et al.</i> , for)	
Agreement with Designation of Rural)	DA 98-1691
Company Eligible Telecommunications Carrier))	
Service areas at the Exchange Level and for)	
Approval of the use of Disaggregation of Study))	
Areas for the Purpose of Distributing Portable))	
Federal Universal Service Support.)	

COMMENTS OF SPRINT CORPORATION

Sprint Corporation¹ ("Sprint") herein submits these comments in support of the above-styled petition filed by the Washington Utilities and Transportation Commission ("WUTC"). The WUTC requests that the Commission approve a plan to designate rural company eligible telecommunication carrier ("ETC") service areas at the exchange level, as well as to allow the use of an alternative methodology of porting available universal service funds. Sprint urges the Commission to grant the petition in its entirety.

As noted in the petition, the plan presented to the Commission is the culmination of a cooperative process engaged in between the WUTC and the rural telecommunications carriers in the state of Washington. This process grew

¹ United Telephone Company of the Northwest, one of the rural telephone companies listed in among the joint petitioners along with the WUTC, is a wholly owned subsidiary of Sprint Corporation.

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JTS

out of the recognition that in a rural state such as Washington, adherence to the designation of ETC service areas as "study areas" would serve to discourage competitive carriers from entering the state. The petition provides an outline of the situation with which the WUTC is faced:

The designation of the service area impacts the ease with which competition will come to rural areas. The designation defines the geographic reach of the obligation of companies which operate in rural areas. The broader the service area, the greater (and more costly) the service obligation. This geographic scope helps define the magnitude of barriers to entry to competitors in rural areas. The wider the service area defined by the state commission, the more daunting the task facing a potential competitor seeking to enter the market. (Petition at p. 3).

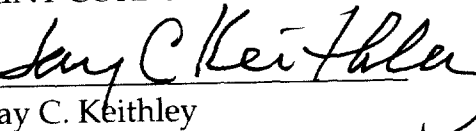
Similarly, creating smaller ETC areas without, at the same time, addressing the universal service funding flowing to those areas would create the opportunity for competitors to actually profit from the universal service fund by serving only low cost areas. Such an outcome would result in the creation of yet another barrier to robust competition in the state.

As one of the multi-exchange rural carriers in the state of Washington, Sprint asserts its belief that, without the adoption of the plan presented here by the WUTC, competition in the state will be stifled. By crafting realistic ETC service areas, coupled with disaggregating universal service support so that higher levels of support are directed to high cost areas, the Washington plan promises to level the playing field for all service providers.

In creating the plan it now presents to this Commission, the WUTC followed the directives set forth by the Commission in its May 8, 1997 Universal

Service Order² and by the 1996 Act³. This Commission should support the
WUTC's efforts by granting the petition in its entirety.

Respectfully submitted,
SPRINT CORPORATION

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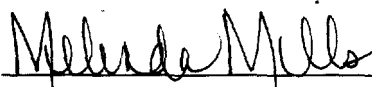
September 14, 1998

² Federal State Joint Board on Universal Service, Report & Order, CC Docket No. 96-45, FCC Rcd 8776, May 8, 1997 (*Universal Service Order*).

³ Telecommunications Act of 1996, Pub. L. 104-104.

CERTIFICATE OF SERVICE

I, Melinda L. Mills, hereby certify that I have on this 14th day of September 1998, served via U.S. First Class Mail, postage prepaid, or Hand Delivery, a copy of the foregoing "Comments of Sprint Corporation In the Matter of Petition of Washington Utilities and Transportation Commission, et al., for Agreement with Designation of Rural Company Eligible Telecommunications Carrier Service areas at the Exchange Level and for Approval of the use of Disaggregation of Study areas for the Purpose of Distributing Portable Federal Universal Service Support, CC Docket No. 96-45, filed this date with the Secretary, Federal Communications Commission, to the persons on the attached service list.



Melinda L. Mills

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